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Homeowner Opportunity Program (HOP)

Homeownership Guide
"Choosing A Home"

HOP HOMEOWNERSHIP GUIDE
"Choosing A Home Overview"

A. **Working with the Realtor**
B. **Choosing Priorities**
   – Necessities vs. Desires/Wants
C. **Neighborhood**
D. **Financial Considerations**
E. **Looking at Homes**
   – Take Pictures
   – Checklist
   – Location

Working with the Realtor

❑ **Service of the Realtor**

- Representing Buyer – lowest price/best price for buyer
- Handles all negotiations
- Monitors completion of process for closing
- Ask the right questions
- All communication with the realtor will be in the presence of the MC to ensure consistency of info
- Buyer pays nothing for the realtor's services

Choosing A Home

❑ **Viewing Homes**
  - Client may view up to seven homes before selecting one to buy.
  - Take notes on each property
  - Inspect the interior and exterior
  - Take a camera for photos of the houses
  - Determine what is included in the purchase price
  - Consider the neighborhood

❑ **Home Inspection**
  The Initial inspection is performed at the initial visit with your Realtor. Turn on lights, vents and fans, flush the toilets, and observe the overall condition of the home yourself.

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❑ Buyers House Inspection

- Walls – water stains, curved in or out
- Siding – Moss, mildew, or stains on lower siding, wavy or soggy
- Roof – Sagging or worn, many layers of shingles, stains or mildew on underside
- Paint – flaking, peeling
- Windows/doors – crooked, cracks above, gaps
- Floors – uneven, spongy, worn coverings
- Electrical – excessive extension cords, adequate
- Odors – pets, dampness, sewer gas
- Yard – proper drainage, appropriate grass coverage, healthy trees
- Plumbing – leaking faucets, running toilets, leaking pipes
- Insulation – at least 9" in attic
- Sidewalk – level, trip hazards

Take notes on each property to compare possible items to negotiate or to be prepared to correct if you should buy the property.

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Choosing Priorities

❑ **Determine your necessities vs. desires/wants**

- ▪ Drive time: Can you spend the extra time and money driving to work and back?

- ▪ Age of home in the area: How will this neighborhood look in 5-10 years when you may want to sell the home?

- ▪ Day vs. Night: Have you visited the neighborhood during different times of the day and night? Are there traffic concerns at night or on weekends?

- ▪ Restrictive covenants: Are there covenants that protect the area from having cars parked on lawns? Can he live in his camper parked on the street? Are there any restrictions on paint colors for the homes in the area? Refer to Home Association Rules.

- ▪ Neighborhood: Do the homes show a pride of ownership? Have the values been increasing in the area?

Choosing A Home

Choosing the Right Neighborhood

- ❑ **Where you work**
  - ▪ How far are you willing to commute?
- ❑ **Neighborhood school**
  - ▪ Does it meet my children's needs?
- ❑ **Transportation**
  - ▪ Is it on a City bus route?
  - ▪ Will the kids need a ride to school?
  - ▪ How far away are the grocery stores and shopping centers?
  - ▪ How far is the nearest hospital?
- ❑ **Adequate police and fire protection**
  - ▪ Where is the closet fire station?
  - ▪ How far away is the police station?

- ❑ **Getting the right price**
  - ▪ Your Housing Priorities Checklist
- ❑ **Personal preference**
  - ▪ Neighborhood playgrounds
  - ▪ Designated neighborhood trails
  - ▪ Children playing
- ❑ **Access to**
  - ▪ Shopping centers
  - ▪ Local mass transit
  - ▪ Community centers that serve all age groups, including elderly services
  - ▪ Gym, sports arena or fitness centers
- ❑ **Ask Questions**
  - ▪ Are there many houses for sale in the neighborhoods?
  - ▪ Are there public and private schools in the neighborhood from PK-12?
  - ▪ Are public transportation lines easy to reach?

Choosing A Home

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Choosing the Right Neighborhood

❑ **Also Consider**:
- ▪ **Associated homeowner expenses**
  - ▪ How much are the property taxes?
  - ▪ How much will insurance be?
- ▪ **Appearance of surrounding homes**
  - ▪ Are the neighboring homes well cared for?
  - ▪ Are there security bars and/or alarm systems?
- ▪ **Safe, friendly, attractive environment**
  - ▪ What are the crimes statistics for this neighborhood?
  - ▪ Is there a neighborhood association?
    - ✓ Are there associated fees?

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Financial Considerations

❑ **Buying A Home**
- Make sure the home fits the family budget
- Maintenance and Repair Costs
  - Energy Efficient
  - Annual maintenance
- Protect your investment
  - Homeowner Rights
  - Tax Benefits
  - Social Benefits

Financial Considerations

□ **Condition of the House**

Before making an offer, you should be fairly confident that you are aware of any major problem areas in the house. You should have inspected the house to the best of your ability, as well as asked the realtor about the structural issues and condition of the basic systems. You should also have a clear idea of what it will cost to fix any major problems of which you are aware.

□ **Location is an important factor in price appreciation.**

Looking at Homes

❑ **Be Open-minded**

   ❑ Write down what you feel is important,
and take along a camera for photos of
the houses you really like.

   ❑ A critical mistake is telling the realtor how
excited you are about the house. Just be
businesslike, and take notes and photos.
By all means, contain that excitement
(at least until you get home).

   ❑ When you find a house that you like that
is in your price range, you will still want
to proceed carefully and calmly. No
matter how "perfect" the house may seem,
don't make a decision without going back
at least once to take a closer, more critical
look at it.
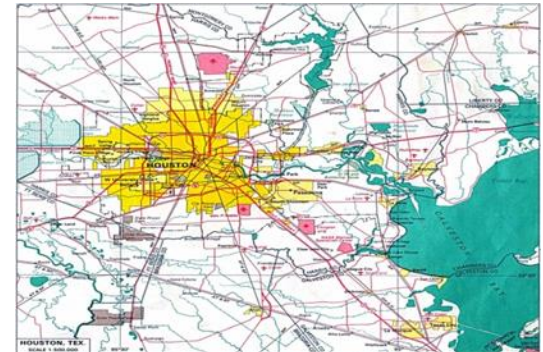
Choosing A Home

❑Rio Grande Valley, TX

- ✓ **Higher Opportunity Area**
- ✓ **Safe & Secure**
- ✓ **Clean & Sanitary Homes**

❑City of Houston

- ✓ **Higher Opportunity Area**
- ✓ **Safe & Secure**
- ✓ **Clean & Sanitary Homes**
- ✓ **Community Revitalization Area (CRA)**

Location Maps

▪Review handouts
▪Q&A

Choosing A Home

Homeownership Guide: Choosing A Home

References

- http://www.yourhome.gov.au/buyersguide/bg-checklist.html
- http://www.thebuyersfund.com
- http://www.radian.biz/servlet/servlet.ImageServer?id=015800000012rgQAAQ&oid=00D80000000auGU